

KLINER

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For the third year, K mart will co-sponsor The Rowan Report, a radio commentary on national and international affairs that airs daily in the country's 40 largest metropolitan areas. These broadcasts will air during 1983.

Carl T. Rowan is read, seen and heard by more Americans than almost any other journalist. He appears on popular public affairs programs and writes a syndicated newspaper column that reaches almost half the homes in the U.S.

Rowan has received more than 30 honorary degrees from American colleges and universities. He is in great demand as a lecturer, and appears at numerous black colleges and institutions across the country.

Rowan says he is delighted that K mart is co-sponsoring a program that thousands of black parents regard as a major influence on the education of their children.

Sales for the five weeks ended March 30, 1983 were \$1,544,936,000, a 13.3% increase over the previous year's sales, which were \$1,364,106,000.

Chairman B. M. Fauber says, "The March increase, following the 8.6% rise in February, reinforces our conviction that consumers like what they see in the economy as well as the merchandising changes at K mart. Sales from comparable K mart stores increased 11.8%."

As of March 30, 1983 there were 2,375 stores compared with 2,383 on March 31, 1982.

The Board of Directors of K mart Corporation on April 19, 1983 approved that a cash dividend be paid on June 13, 1983, on the outstanding shares of the corporation's common stock to holders of record on May 20, 1983, in the amount of 27¢ per share. This represents an increase in the annual rate from \$1.00 to \$1.08.

April Store Openings

Region	Location	Opening
C	2001 - Livonia, MI	April 21
C	2002 - Clawson, MI	April 21
C	2003 - Warren, MI	April 21
C	2004 - Rochester, MI	April 21
S	7150 - Miami, FL	April 14
S	7263 - Narraja, FL	April 14
S	7537 - Memphis, TN	April 14
W	3592 - Las Vegas, NV	April 7

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A REVIEW OF 1982

In the recently published annual report, K mart's growth strategy for the ensuing years was highlighted as our commitment to new store layouts, a new merchandising program and computer technology. Here are excerpts.

Goodbye to the K mart of the '60s, hello to the K mart of the '80s.



B. M. Fauber, Chairman and Chief Executive Officer in the 1982 report's "To Our Shareholders," concentrates K mart's next move on a new merchandising strategy.

Over the past three years, K mart Corporation has carefully and deliberately implemented a strategy for growth and financial success in the decade of the 1980s. Our efforts have centered on the consumer of the 1980s: the value-conscious, price-sensitive, quality-oriented shopper. This shopper has historically high levels of disposable personal income and accepts that the growth rate of this income will be moderate in the years ahead. At the same time, the demands on this income for shelter, energy, transportation and the purchase of durable and nondurable goods are changing.

During the period of development and implementation of our strategy for the '80s, we witnessed ten consecutive quarters in which earnings were below the corresponding period of the previous year. These declines were largely a reflection of the overall weakness in the U.S. economy during the same period. Already we have seen positive signs from our new strategy — namely, the earnings improvements during the third quarter and particularly in the fourth quarter of 1982. The effects will be more apparent in the future with a more favorable economic environment.

On March 1, 1982, we celebrated the 20th
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District Managers Meeting — Spring '83

The District Managers at this year's annual conference listened, observed and commented on K mart's strategy for the years to come. Also, they witnessed the beginnings of an attitudinal as well as philosophical change within the company towards merchandising. "Though we may be doing our very best, that may not be enough, if our very best consists of using outmoded ideas, strategies or investment criteria," states Board Chairman B. M. Fauber in his address to the DM's.



Some of the DM's enjoying a light moment while attending this year's seminar.